

Wisconsin Medicaid and BadgerCare update

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Wisconsin Medicaid and BadgerCare Information for Providers

To:

Personal Care

Providers

HMOs and Other

Managed Care

Programs

Rate increase for personal care agencies

Effective for dates of service on and after July 1, 2000, the Medicaid maximum allowable reimbursement to personal care agencies for personal care worker services and travel time will increase to \$15.50 per hour. Department of Health and Family Services (DHFS) Secretary Joe Leraan directs providers to inform employees and subcontractors of this increase.

On May 17, 2000, Governor Tommy G. Thompson signed into law 1999 Wisconsin Act 187, which increases the Medicaid maximum allowable reimbursement for personal care worker services and personal care travel time. This new maximum allowable fee represents a \$3.25 supplement to the \$12.25 hourly reimbursement that was budgeted for fiscal year 2001 and will be effective July 1, 2000. The purpose of this *Update* is to advise personal care providers how the Department of Health and Family Services (DHFS) plans to implement this act.

The legislative intent

In early May, by an overwhelming vote of both houses, Assembly Bill 942 (now 1999 Wisconsin Act 187) was adopted by the Legislature. While the Governor vetoed those portions of the bill that were administratively unworkable, he retained the rate increase and the appropriation of \$23.5 million. The Governor reiterated the intent of the legislation and gave strong direction to DHFS and personal care providers in the following message that accompanied the veto.

“AB 942 as vetoed will still provide a significant rate increase for personal care services...DHFS should monitor the effectiveness of the rate increase in creating stability in the personal care industry such that MA recipients have access to high quality care and interruptions in service, due to agency turnover, are limited. I strongly encourage personal care agencies to pass this rate increase on to their workers.”

Department of Health and Family Services directive

In accordance with the Governor's and the Legislature's intent, DHFS Secretary Joe Leraan directs personal care providers to inform their employees and/or the agencies they subcontract with about the reimbursement increases effective July 1, 2000. DHFS will:

- Monitor the impact of the rate increase on access to personal care services throughout the state.
- Perform sample audits of personal care agencies to report to the Legislature and Governor by March 2001 on the effects of the reimbursement rate increases and the use of the increased rate by personal care agencies.

Payment of claims effective July 1, 2000

When the increased rates of \$15.50 are entered into the claims processing system,

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-Governor Tommy G. Thompson

claims for services performed by personal care workers (W9900, W9903) and personal care travel time (W9902) for dates of service on and after July 1, 2000, will be reimbursed at the provider's usual and customary charge or at \$15.50 per hour, whichever is less.

"Usual and customary charge" means the agency's charge for providing the same service to persons not entitled to Medicaid benefits.

Provider compliance expectations

The 1999 Wisconsin Act 187 does not mandate that personal care agencies pass on the increase in reimbursement rates in the form of personal care worker wages. However, it is clear that the Legislature and the Governor intend the supplementary appropriation to be used by personal care agencies to recruit and retain personal care workers by offering higher wages and benefits.

Information for agencies not directly reimbursed by Medicaid

The legislation only allowed increased reimbursement for fee-for-service Medicaid-certified personal care providers.

Agencies that contract with Medicaid-certified, county-operated personal care agencies should

contact the county agency about the impact of the personal care rate increases on their contracted rates.

Medicaid HMO network personal care providers should contact their managed care organization for more information about their reimbursements. (Wisconsin Medicaid HMOs are required to provide at least the same benefits for enrollees as those provided under fee-for-service arrangements.)

Agencies that contract with a Family Care Care Management Organization (CMO) should contact their CMO about the impact of the personal care rate increase on their contracted rates.

The *Wisconsin Medicaid and BadgerCare Update* is the first source of program policy and billing information for providers.

Although the *Update* refers to Medicaid recipients, all information applies to BadgerCare recipients also.

Wisconsin Medicaid and BadgerCare are administered by the Division of Health Care Financing, Wisconsin Department of Health and Family Services, P.O. Box 309, Madison, WI 53701-0309.

For questions, call Provider Services at (800) 947-9627 or (608) 221-9883 or visit our Web site at www.dhfs.state.wi.us/medicaid/.

DHFS will perform sample audits of personal care agencies to report to the Legislature and Governor by March 2001 on the effects of the reimbursement rate increases and the use of the increased rate by personal care agencies.

Personal Care Maximum Allowable Fees

(Effective for dates of service on and after July 1, 2000)

Procedure	Maximum Fee	Provider Type	Procedure Description
W9900	\$15.50/hour	86	Personal care by PC-only agency
W9902	\$15.50/hour	86	Personal care travel time (PC/TT)
W9903	\$15.50/hour	44 with 86	Personal care by Home Health Agency
W9906	\$40.28/visit	86	Personal care worker (PCW) supervisor visit by registered nurse (RN) or Therapist - Recipient receives only unskilled care
W9044	\$40.28/visit	86	PCW supervisor visit by RN - Recipient receives skilled care